DEC 0 2 2003

Local Boundary Commission

November 21, 2003

The Honorable Roger Sampson Commissioner Department of Education 801 West 10th Street, Suite 200 Juneau, Alaska 99801-1894 The Honorable Darroll Hargraves Chair Local Boundary Commission 550 West 7th Avenue, Suite 1770 Anchorage, Alaska 99501

Re: Response to School District Consolidation Letter

Dear Commissioners Sampson and Hargraves,

I am in receipt of your letter dated November 10, 2003 concerning the issue of school district consolidation in Alaska, specifically in districts with fewer than 250 students. I am very grateful that you are giving me an opportunity to respond to this question as it might have dire consequences for the students in our school district and for the citizens of the city of Skagway. Thank you so much for soliciting a response from me to your letter.

Let me first state that I am very cognizant of the serious fiscal constraints that Governor Murkowski and our Alaska State Legislature are having to grapple with during our present national and state economic recessions. I applaud their efforts in seeking creative avenues to help to alleviate some of the costs adversely impacting our state's budget. And I will support those decisions made by Governor Frank Murkowski and the Alaska State Legislature to improve the economic and financial outlook for the State of Alaska. I am glad that both the Local Boundary Commission and the Alaska Department of Education and Early Childhood Development are examining a wide variety of options for saving our state desperately needed revenues that are vital to balance the state's budget.

In a state as large and diverse as Alaska it seems that the complicated and arduous task of analyzing the possible outcomes of school district consolidation must be done on a school district by school district basis. Probably each school district in our great state present uniquely "Alaskan" issues and situations that would impact your recommendations. That makes this task for the LBC and the DEED exceedingly difficult as you begin a rigorous analysis of this issue. I truly hope that my letter to you might give you a greater understanding of the inimitable distinctions found in the Skagway City School District.

In the case of the Skagway City School District we, indeed, are a very small, rural district situated approximately 100 miles north of Juneau. As you may know, we are the northern terminus of the Alaska Marine Highway and are connected through the road system by 800 miles of highway to Anchorage. Our district consists of approximately 118 students in grades PreK-12 in one building. Our school building was built in 1985. We have thirteen certified teachers, one special education paraprofessional, two office personnel, one cook, two maintenance workers, and one custodian. I am the only administrator in the school district and I act as the superintendent, principal, Director of Special Education, Personnel Director, Director of Federal and State Programs, and the grant's writer. Our School Board has five members and its president is Mrs. Chris Ellis.

Our district has been adversely affected by Sec. 14.17.600 of Alaska School Laws and Regulations Annotated which arbitrarily sets the 20 day student count date as the fourth Friday in October. We are possibly unique in Alaska since 20% or more of our school students while here when school starts in August will eventually leave at the end of the tourist season near the end of September. They return in March so their parents can prepare for the next tourist season. These families are actual residents of Skagway and many own homes here, but we are never able to include their children in our student count because they are not here in October. Our district has lost over 1 million dollars in revenue over the years because of this situation. We must and want to provide teachers, textbooks, school equipment, and ancillary resources for these students in August, September, March, April, and May and summer school in June and July, but we never get compensated by the state for part of these expenditures because of the current student count procedure. And our students are not enrolling and going to school in other districts in Alaska where they, at least, could be considered in the student state enrollment, but are going to various locations throughout the United States and the world and in some cases are home schooled as they travel visiting family and friends.

Even with this loss in pupil count to our district we are still not going to be a district with more than 250 students for the near future. Mr. Mike Catsi, Executive Director of the Skagway Development Corporation, and I have been in meetings discussing possible endeavors that we could sponsor to expand the economic base of our community and bring more families to live and go to school in Skagway. One proposal that we would like to be considered for by the Department of Education & Early Childhood Development is establishing a Regional Learning Center in Skagway. We feel that we have an excellent location and infrastructure to support an additional location for secondary education. We might even be considered as a magnet, charter school for students in a specialized area like computer technology, environmental sciences, fish hatchery, or the tourist industry. Or a boarding school for students coming from locations in the United States and the world might be a very viable economic enterprise for our school district and city. I am independently seeking grant funds both from government agencies and philanthropical, endowed foundations to pursue this educational concept.

I believe that the Skagway City School District has tried to find ways to economize the costs of doing business in our school while maximizing educational opportunities for our students. We have proactively found ways to save money on our electrical and heating

bills while working in an almost 20 year building. As we have sought positive means to economize costs to our school district without adversely affecting the education of our children, we are increasingly having to find creative methods with which to replace a leaking, below ground diesel tank, replace a five hundred gallon water heater, drain and replace the glycol heating our building, trying to update our computer technology, purchase a school van, and provide a student food service program among other needs.

Besides the very important issue of keeping school districts accountable to local control as mentioned in your letter there should be very compelling reasons to consolidate school districts since it ultimately disenfranchises parents and families in local communities if the school district office is located geographically distant from the local school.

I have carefully reviewed the two questions posed in your letter and am unable to find substantial savings in doing business as a consolidated school district that would economically benefit the Skagway City School District. Question 1 in your letter implies that it might be in the interest of the general public to consolidate schools subsuming that costs for administrating the district might be lowered. In the case of the Skagway City School District our distance from either Juneau or Haines, our two closest neighbors, would not make it feasible to eliminate administrative, office, staff, or teaching personnel from our current employee configuration so I am unclear as to how a consolidation in Skagway, in particular, would benefit the citizens of our great state.

Question 2 in your letter suggests that if some sort of a school district consolidation is mandated by the Alaska State Legislature and approved by our Governor what options should be considered? Because Alaska is such an "unusual" state given its immense geographical boundaries and its sparse population centers I believe that it would be imperative to consider school district consolidation on a district by district basis. The children, communities, and cultures found throughout our state require analytical reviews that individually respects their needs and inculcates their goals and aspirations for the children in their villages, towns and cities. You have been charged with a formidable task.

I am very proud of the accomplishments of the students in the Skagway City School District. Our students have among the highest scores in the state in both state and national standardized tests. We have a city who consistently offers financial assistance to the maximum amount permitted by law. This year the City of Skagway is funding the school around \$97,000 as its share of participation for a school building roof repair construction project which was approved by voters in our state last November as referendum Proposition C. The state will provide the additional funding.

If the primary reason that school district consolidation might be considered by our legislature is for financial savings to the state, Skagway has a very unique proposition for the Local Boundary Commission. Please approve the City of Skagway's request to be made a Borough in Alaska. I know that Skagway wants to be a borough. The City wants to financially accept its fair share by contributing money to our state coffers to pay for state services and the costs of governing our state. Skagway wants to solve this problem!

Skagway is one of the few cities in the state that I am aware of that wants to accept a further financial burden by becoming a borough. Skagway seems to precisely define a place where local accountability and fiscal responsibility are deemed important. The Skagway City School District has issued Resolution 03-06 which I have enclosed in support of this endeavor. Our citizens want to assume their fair share for the governance of a borough and are on record of stating that the \$600,000 start-up costs provided by the state for borough formation is not needed by the City of Skagway to form its borough! That is a remarkable offer to our state in these dire financial circumstances.

I understand the concept of saving money for our state. I am unaware of statistical data which proves that school district consolidation saves money. It has not been very successful in North Carolina. I know that attempting to consolidate the Skagway City School District with either Juneau or Haines will not amount in any substantial savings. I am sure that consolidating our district with a neighboring school district will adversely impact the local autonomy of our parents in managing our district. I know that our students are already achieving at the highest levels in our state for every educational statistical measure used in Alaska to indicate success. I know that the City of Skagway wants to become a Borough and would then assume a greater responsibility and fiscal accountability for our Skagway City School District. We want to help solve this problem!

Please let me know if I may in any capacity be of assistance to either LBC or DEED or both of your agencies in contemplating and formulating recommendations to the Alaska State Legislature and Governor Murkowski. I urge you to consider being extremely creative and thinking "outside the box" by recommending that the City of Skagway become the Skagway Borough which would help the State of Alaska in our current budget crisis and also remove the fiscal concern about school district consolidation for the Skagway City School District! Skagway wants to be a positive part of the solution!

Please know that I admire your efforts, hard work, and dedication in trying to formulate recommendations about school district consolidation to our legislature and governor. The process that you are involved in epitomizes our democratic ideals and the benefits we all have by living in our great nation and sharing its freedoms. Again, if I may in anyway be of assistance, please feel free to contact me. Have a wonderful Thanksgiving holiday celebrating with your family and friends.

Sincerely.

Dr. Michael Gregory Dichens Dr. Michael Gregory Dickens

Superintendent

Enclosure of Resolution #03-06 supporting Skagway Borough formation

Cc: School Board, City Mayor, City Council, City Manager

SKAGWAY CITY SCHOOL

P.O. Box 497

Skagway, Alaska 99840

(907) 983-2960

Resolution #03-06

Whereas, Governor Frank Murkowski has challenged the cities of Alaska to accept their fair share of the financial burden to pay for the cost of government in our great state during these times of needed fiscal constraint.

Whereas, Governor Frank Murkowski has repeatedly stated that he is in favor of "local control" for the citizens living in rural areas throughout the state of Alaska.

Whereas, the City of Skagway has petitioned the Borough Commission to be given permission to form a borough of the sites of Skagway and Dyea so it can accept its full financial responsibility to operate a borough for its residents and because the citizens of Skagway and Dyea wish to exert their "local control" in this matter to become a borough.

NOW, THEREFORE, BE IT RESOLVED, that the Skagway City School District supports the efforts of the City of Skagway for the formation of the Skagway Borough through its petition of the Borough Commission and sponsors any necessary amendments in current law as enacted by the legislature to enable the creation of such stated political entity during the current session of the Alaskan legislature under statute law.

Adopted the 8th of April, 2003.

Chris Ellis, President

Skagway City School Board